GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:384
ANSWERED ON:28.02.2008
WASTAGE OF FRUITS AND VEGETABLES
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Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the percentage of fruits of total production of fruits and vegetables in the country, being processed, State-wise;

(b) whether in the absence of adequate processing and storage facility, the fruits worth billion of rupees get wasted;

(c) if not, latest official figures in this regard;

(d) the reasons for not providing adequate processing facilities by the Government so far;

(e) the reaction of the Government in this regard; and

(f) the corrective steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) to (c): According to the Vision 2015 report prepared by M/s Rabo India Finance Pvt. Ltd., the utilisation of fruits and vegetables for processing is estimated to be around 2.20% of the total production, and wastage of fruit and vegetables is estimated to be about Rs. 33,000 crore occurring at various stages of handling after harvesting like inadequate post − harvest infrastructure, lack of cold chain facilities, transportation, proper storage and processing facilities etc. Percentage of Fruits & Vegetables used for processing, State-wise, based on information available in respect of units registered under Fruit Products Order, 1955 is given at Annexure.

(d) to (f): For promotion of fruits and vegetables processing industries, financial assistance is provided by Ministry of Food Processing Industries in the form of grant under the Scheme of Technology Upgradation/ Modernisation /Establishment of food processing industries, for setting up of new unit or for expansion of existing fruits & vegetables processing unit. Under this Scheme, MFPI extends financial assistance to food processing units in the form of grant-in-aid @ 25% of the cost of Plant and Machinery and Technical Civil Works subject to maximum of Rs. 50.00 lakhs in general areas or 33.33% subject to maximum of Rs. 75.00 lakhs in difficult areas. In order to ensure speedy disbursement of the financial assistance, the Ministry has decided to decentralize the disbursement procedure through banks under the Scheme of Technology Upgradation / Modernization / Establishment of food processing industries w.e.f. 01.04.07. Now the applicants will be able to avail of grant /assistance through the neighbourhood banks which have already appraised the project and provided loans to them.

Since one of the major constraints for low level ofprocessing in agro-food products is lack of infrastructure such as cold chain facilities and inefficient supply chain,the Ministry is working on launching a revamped comprehensive Cold Chain Infrastructure Scheme, during the 11th Plan, for creating integrated cold chain infrastructure at different levels-farm level primary processing centre-cum-cold chain,collection / aggregation centers and Strategic Distribution Centers. The initiative being undertaken by the Ministry are aimed at filling the gaps in the supply chain, strengthening of cold chain infrastructure leading to overall development of food processing industries and reduction in wastages.

Ministry has identified thrust areas for strategic intervention for the 11th Plan, by establishing Mega Food Parks, Cold-chain / value addition and preservation infrastructure, capacity building by setting up of National Institute of Food Technology Entrepreneurship & Management (NIFTEM) and establishment / upgradation of Quality Control Laboratories, which could result in increasing the level of processing, value addition of food products, including perishables.